

MEMORANDUM OF UNDERSTANDING HOMEOWNERSHIP FOR EDUCATORS PROGRAM

THIS MEMORANDUM OF UNDERSTANDING ("MOU") is made and entered into this 23rd day of OCTOBER, 2006, by and between the **CITY OF LAS VEGAS**, a municipal corporation of the State of Nevada ("City") and **CLARK COUNTY SCHOOL DISTRICT**, a public entity in the State of Nevada. ("CCSD").

RECITALS

WHEREAS, the City administers the City of Las Vegas Redevelopment Agency's Housing Set-Aside funds which was established pursuant to NRS 279.685 to promote low-income housing in the community of the City of Las Vegas; and

WHEREAS, the City and CCSD are desirous of establishing a Homeownership for Educators Program ("Program") which will assist entry-level educators employed by CCSD with housing assistance; and

WHEREAS, the City and CCSD desire to initiate and administer the Program for the upcoming 2006-2007 school year in accordance with the terms of this MOU.

NOW, THEREFORE, the City and CCSD do hereby understand and agree to the following Program requirements:

1. Program Funding – The City agrees to provide an amount not to exceed Five Hundred Thousand Dollars (\$500,000.00) in Redevelopment Set-Aside Funds (the "Funds") to CCSD for the Homeownership for Educators Program. The Program will provide eligible teachers with assistance with lease/rental payments or assistance for mortgage buy down for a purchase of a residence. The Funds will be disbursed in accordance with the satisfactory completion of the Program requirements as set forth in this MOU.
2. Program Requirements. The City and CCSD agree that the teachers who receive these Funds shall meet the following eligibility requirements:
 - A. The teacher shall reside and work within the limits of the City of Las Vegas. The teacher's home and work addresses shall be verified that each property is located within the city limits of the City of Las Vegas.
 - B. The teacher's family income must be within the current family income guidelines for affordable housing as established by the U.S. Department of Housing and Urban Development ("HUD"), and as amended from time to time. The current family income guidelines are attached to this MOU as Exhibit 1.
 - C. Attachment 1 is a form of the application and accompanying Information Packet which shall be submitted by each teacher requesting assistance from this Program.
 - D. The teacher shall submit a copy of the last income tax return as proof of income his/her income level.

- E. If the teacher is applying for rental assistance, the following requirements shall be met:
- i. The teacher shall require its landlord/property manager to submit verification of the teacher's continuing residence at the rental property in the Las Vegas city limits. Attachment 2 is a form of the verification to be submitted monthly by the teacher's landlord/property manager.
 - ii. The teacher shall have either a 6 month or a 12 month lease/rental term. The term shall begin no later than October 1, 2006. A copy of the Lease or rental Agreement shall be submitted as evidence of the teacher's residence and commitment to the lease/rental arrangement.
- F. If the teacher is applying for mortgage buy down assistance, the following requirements shall be met:
- i. The residence must be located within the boundary limits of the City of Las Vegas. The residence may be a single family home, condominium or manufactured housing unit.
 - ii. The teacher must be a first time homebuyer under HUD's definition of not having purchased or owned a home within three (3) years of closing on another name.
 - iii. The property must be used as the teacher's principal residence. Subleasing of the residence shall be prohibited.
 - iv. The qualified teacher homebuyer must:
 1. Secure a first mortgage loan.
 2. Attend a homebuyer counseling program provided by a HUD-certified counseling agency.
 3. Make a minimum investment of \$500 by the close of escrow.
 4. May not have total assets exceeding \$10,000 (excluding 2 vehicles, subject residence property, furniture and fixtures). Asset include, but are not limited to, checking account savings accounts, money market accounts, bonds, stocks, mutual funds, pension funds, 401 k funds, IRAs, boats and motor homes or similar recreational vehicles.
 5. Occupy the residence for the duration of the HUD affordability period which is ten (10) years.
 6. Accept a deed restriction for a ten (10) year term from the date of the close of escrow.
 7. Not allow any liens or encumbrances on the residence property for the ten (10) year eligibility period.
3. Term – Upon satisfactory completion and submittal of the teacher's application and information packet to the City and approval of the teacher's Program requirements, the City agrees to provide rental/lease assistance of up to \$1,000 per month for a one year period or mortgage buy down assistance for up to \$30,000.
4. Documentation – CCSD agrees that it will be responsible for notifying the teachers of the Program and compiling the necessary documentation from the teachers, including the documentation for the Information Packet. Upon

acquiring the completed packets, CCSD shall deliver the teachers' application Information Packets to the City for review and approval of each teacher's eligibility of the Program assistance. The City reserves the right to require additional documentation as deemed necessary by the City to determine a teacher's eligibility to the Program.

5. Approval of Eligibility of Program Assistance – The City shall review and approve each Information Packet received from CCSD and shall provide notification to CCSD and the teacher applicant.
6. Disbursement of Program Lease/Rental Assistance – The City shall process and disburse monthly the Program assistance in an amount to be determined by the City. The City shall disburse a monthly rental check to the property manager/landlord on behalf of the teacher. The amount of the rental assistance may pay only a portion of the teacher's monthly rent. The balance of the monthly rent shall be paid by the teacher. The City nor CCSD bears no responsibility for the remainder of the rent owed to the landlord/property manager.
7. Termination of Teacher's Program Lease/Rental Assistance – If the qualified teacher moves outside of the city limits of the City of Las Vegas, leaves his/her position with CCSD or fails to meet or continue to meet any of the Program requirements set forth above, the lease/rental assistance provided by this Program shall be immediately terminated and no further Funds shall be disbursed.
8. Recapture Provisions for Mortgage Buy Down Assistance – The Program will require a deferred loan period of ten (10) years for loans up to \$30,000. The teacher will be required to repay the appropriate portion of the assistance provided according to the repayment schedule below if any of the following occurs:
 - A. The residence property is not the principal residence of the homebuyer teacher.
 - B. The homebuyer teacher does not continuously remain employed by CCSD at a school within the boundaries of the City of Las Vegas.
 - C. The homebuyer teacher has breached any other terms of the Program agreement.
 - D. There is a death of the last surviving homebuyer of the property during the period of affordability.
 - E. The residence property is sold or title is otherwise transferred during the period of affordability.
9. Repayment Schedule for Mortgage Buy Down – If the teacher homebuyer sells the residence property within the first five (5) years of purchase, the entire loan amount of \$30,000 will be deemed repayable to the City of Las Vegas. If the teacher homebuyer sells the residence property after the five (5) year period, the prorated repayment schedule below will be followed:
 - A. Through the end of the 6th year: \$15,000 (50% of the \$30,000)
 - B. Through the end of the 7th year: \$12,000 (40% of the \$30,000)
 - C. Through the end of the 8th year: \$9,000 (30% of the \$30,000)
 - D. Through the end of the 9th year: \$6,000 (20% of the \$30,000)
 - E. Through the end of the 10th year: \$3,000 (10% of the \$30,000)

10. Neither the City nor CCSD bear any responsibility for the payment of any funds to any property owner or to each other.

11. Notices - Any notice, demand, request, or other instrument which may be or is required to be given under this MOU shall be delivered in person or sent by United States certified or registered mail, postage prepaid, at the following addresses:

To City: City of Las Vegas
Neighborhood Services Department
Attention: Director
400 Stewart Ave., 2nd Floor
Las Vegas, NV 89101
702-229-2330

To CCSD: Clark County School District
Human Resources Division
Attention: Associate Superintendent
2832 E. Flamingo Rd.
Las Vegas, NV 89121
702-799-5011

Either Party hereto may change its address by giving ten (10) days advance notice to the other Party as provided herein.

12. Modification. This MOU shall not be amended or modified unless agreed to in writing by both parties.


13. Assignment. Neither party may assign this MOU.

This Memorandum of Understanding shall be executed by the duly authorized representatives of each party and shall be effective on the date first above written.


CITY OF LAS VEGAS

CLARK COUNTY SCHOOL DISTRICT

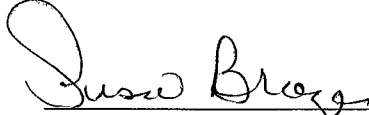
By: 
Oscar B. Goodman, Mayor

By: 
Ruth Johnson, President
Clark County School District
Board Of Trustees

ATTEST:


Barbara Jo Ronemus
City Clerk

ATTEST:



Susan Brager
CCSD Board of Trustees Clerk

Date of Official Action:

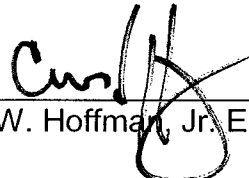
OCTOBER 18, 2006

Date of Official Action:

APPROVED AS TO FORM:

 10/4/06
Name: Teresita L. Ponticello
Deputy City Attorney

APPROVED AS TO FORM:

 9/1/06
C. W. Hoffman, Jr. Esq.